



## Central Bank

Central Bank & Trust Co.  
P.O. Box 1360  
Lexington, KY 40590-1360  
(606) 253-6222

0100375015

RECORDATION 18987  
SEP 22 1994 11 AM  
INTERSTATE COMMERCE COMMISSION

September 20, 1994

RECORDATION 18986  
SEP 22 1994 11 AM  
INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission  
12th & Constitution Avenue NW  
Washington, D. C. 20423

To Whom It May Concern:

Enclosed are two (2) Security Agreements in reference to R. J. Corman Construction Co. & R. J. Corman Railroad Co./Memphis Line. In order for us to perfect our security interest, please record this lien in your office showing Central Bank & Trust Co. as lienholder. I have, also, included filing fees in the amount of \$36.00 and a return envelope for your convenience.

Thank you for your prompt assistance in this matter. If you have any questions, please feel free to contact Greg Bibb at (606) 253-6300.

Sincerely,

Central Bank & Trust Co.

*Frankie*

Frankie M. Stivers  
Commercial Lending Assistant

Enclosure

RECEIVED  
SEP 23 9 50 AM '94  
LICENSING BRANCH

**Interstate Commerce Commission**  
Washington, D.C. 20423

9/23/94

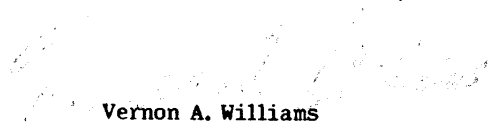
OFFICE OF THE SECRETARY

Frankie M. Stivers  
Commercial Lending Assistant  
Central Bank & Trust Co.  
P. O. Box 1360  
Lexington, Kentucky 40590-1360

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 9/23/94 at 9:55AM, and assigned recordation number(s). 18986 and 18987.

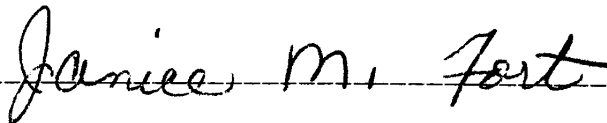
Sincerely yours,

  
Vernon A. Williams  
Acting Secretary

Enclosure(s)

\$ 18.90 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



# SECURITY AGREEMENT

September 15, 1994  
(Date)

R. J. CORMAN RAILROAD COMPANY/MEMPHIS LINE  
Name  
ONE JAY STATION NICHOLASVILLE JESSAMINE KY  
No. and Street City County State

(hereinafter called "DEBTOR"), for valuable consideration, receipt whereof is hereby acknowledged, hereby grants to

CENTRAL BANK & TRUST CO.  
Name  
300 WEST VINE STREET LEXINGTON FAYETTE KY  
No. and Street City County State

(hereinafter called "SECURED PARTY") a security interest in the following property and any and all additions thereto (hereinafter called the "Collateral")  
RECORDATION NO. 18988 FD 1426

- (2) GM GP16 LOCOMOTIVES, Serial #'s RJCM 1607 & RJCM 1608 (year-1969)  
(1) 1985 Budd Railroad Passenger Car (SEE EXHIBIT B ATTACHED)

INTERSTATE COMMERCE COMMISSION

Debtor agrees that the security interest herein granted to the Secured Party shall be in and extend to all of the herein described property owned by Debtor and any and all proceeds thereof, whether cash or non-cash, so long as and during such times when the debt secured hereby (and the notes evidencing such debt) remains unpaid, whether such property of proceeds are acquired by Debtor prior to, contemporaneously with or subsequent to the date of this agreement.

The security interest is to secure the payment of \$ 2004 as provided in the note or notes of DEBTOR of even date herewith and also any and all other liabilities of DEBTOR to SECURED PARTY, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising (all hereinafter called the "Obligations").

DEBTOR hereby warrants and covenants -

1. That except for the security interest granted hereby DEBTOR is, or to the extent that this agreement states that the Collateral is to be acquired after the date hereof, will be, the owner of the Collateral free from any adverse lien, security interest or encumbrance; and that DEBTOR will defend the Collateral against all claims and demands of all persons at any time claiming the same or any interest therein;

2. That the Collateral is bought or used primarily for

- ☐ Personal, family or household purposes  
☐ Farming operations use  
☒ Business use

and if checked here ☒, is being acquired with the proceeds of the note or notes, which SECURED PARTY may disburse directly to the seller of the Collateral;

3. That if the Collateral has been attached to or is to be attached to real estate, a description of the real estate is as follows:

and the name of the record owner is \_\_\_\_\_; and that if the Collateral is attached to real estate prior to the perfection of the security interest granted hereby, DEBTOR will on demand of SECURED PARTY furnish the latter with a disclaimer or disclaimers, signed by all persons having an interest in the real estate, or any interest in the Collateral which is prior to SECURED PARTY's interest;

4. That no Financing Statement covering any Collateral or any proceeds thereof is on file in any public office and that at the request of SECURED PARTY, DEBTOR will join with SECURED PARTY in executing one or more Financing Statements pursuant to the Uniform Commercial Code in form satisfactory to SECURED PARTY and will pay the cost of filing the same in all public offices wherever filing is deemed by SECURED PARTY to be necessary or desirable;

5. That DEBTOR will not sell or offer to sell or otherwise transfer the Collateral or any interest therein without the written consent of SECURED PARTY;

6. That DEBTOR will have and maintain insurance at all times with respect to all Collateral against risks of fire (including so-called extended coverage), theft, and other risks as SECURED PARTY may require and, in the case of motor vehicles, collision, containing such terms, in such form, for such periods and written by such companies as may be satisfactory to SECURED PARTY such insurance to be payable to SECURED PARTY and DEBTOR as their interests may appear; that all policies of insurance shall provide for ten days' written minimum cancellation notice to SECURED PARTY and at request of SECURED PARTY shall be delivered to and held by it; and that SECURED PARTY may act as attorney for DEBTOR in obtaining, adjusting, settling and cancelling such insurance and endorsing any drafts;

7. That DEBTOR will keep the Collateral free from any adverse lien, security interest or encumbrance and in good order and repair and will not waste or destroy the Collateral or any part thereof; that DEBTOR will not use the Collateral in violation of any statute or ordinance; and that SECURED PARTY may examine and inspect the Collateral at any time, wherever located;

8. That DEBTOR will pay promptly when due all taxes and assessments upon the Collateral or for its use or operation or upon this agreement or upon any notes evidencing the Obligations.

At its option, SECURED PARTY may discharge taxes, liens or security interests or other encumbrances at any time levied or placed on the Collateral, may pay for insurance on the Collateral, and may pay for the maintenance and preservation of the Collateral. DEBTOR agrees to reimburse SECURED PARTY on demand for any payment made, or any expense incurred by SECURED PARTY pursuant to the foregoing authorization.

Until default DEBTOR may have possession of the Collateral and use it in any lawful manner not inconsistent with this agreement and not inconsistent with any policy of insurance thereon.

DEBTOR shall be in default under this agreement upon the happening of any of the following events or conditions:

- (a) default in the payment or performance of any obligation, covenant or liability contained or referred to herein or in any note evidencing the same;  
(b) any warranty, representation or statement made or furnished to SECURED PARTY by or on behalf of DEBTOR proves to have been false in any material respect when made or furnished;  
(c) any event which results in the acceleration of the maturity of the indebtedness of DEBTOR to others under any indenture, agreement or undertaking;  
(d) loss, theft, damage, destruction, sale or encumbrance to or of any of the Collateral, or the making of any levy, seizure or attachment thereof or thereon;

(e) death, dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against, DEBTOR or any guarantor or surety for DEBTOR.

Upon such default and at any time thereafter SECURED PARTY may declare all Obligations secured hereby immediately due and payable and shall have the remedies of a SECURED PARTY under the Uniform Commercial Code. SECURED PARTY may require DEBTOR to assemble the Collateral and make it available to SECURED PARTY at a place to be designated by SECURED PARTY which is reasonably convenient to both parties. Unless the Collateral is perishable or sold on a recognized market, SECURED PARTY will give DEBTOR reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of DEBTOR shown at the beginning of this agreement at least five (5) or whatever figure is deemed reasonable) days before the time of the sale or disposition. Expenses of retaking, holding, preparing for sale, selling, or the like shall include SECURED PARTY's reasonable attorneys' fees and legal expenses.

No waiver by SECURED PARTY of any default shall operate as a waiver of any other default or of the same default on a future occasion.

All rights of SECURED PARTY hereunder shall inure to the benefit of its successors and assigns; and all obligations of DEBTOR shall bind his heirs, executors or administrators or his or its successors or assigns. If there be more than one DEBTOR, their obligations hereunder shall be joint and several.

This agreement shall become effective when it is signed by DEBTOR.

Signed in (duplicate) triplicate and delivered on the day and year first above written.

(SECURED PARTY need sign only if agreement is to be used as Financing Statement)

CENTRAL BANK & TRUST CO.  
SECURED PARTY

BY: GREGORY A. RIBB, VICE PRESIDENT  
STATE OF KENTUCKY SS  
COUNTY OF FAYETTE

I, J. Ranee Leland, a Notary Public in and for the County and State aforesaid, do hereby certify that the foregoing Security Agreement from R. J. Corman Railroad Co. to Central Bank & Trust Co. was, on the 18th day of September, 19 94, produced to me in my office and acknowledged before me by the said Richard J. Corman, Pres., party thereto, to be his act and deed.  
Given under my hand this the 18th day of September, 19 94.

MY COMMISSION EXPIRES: October 11, 1994

08-0096 (Rev. 2/86)

R. J. CORMAN RAILROAD CO./MEMPHIS LINE  
DEBTOR  
BY: RICHARD J. CORMAN, PRESIDENT

J. Ranee Leland  
Notary Public  
(J. Ranee Leland)

CSX TRANSPORTATION INC.  
PURCHASES AND MATERIALS  
P.O. BOX 45054  
JACKSONVILLE, FL 32232-5054  
(904) 359-1552

SALES ORDER	DATE
941019	07/22/94

## S A L E O R D E R

## SCRAP AND SURPLUS EQUIPMENT/MATERIAL

## PURCHASER

=====

CORMAN R J RAILROAD  
P O BOX 788  
NICHOLASVILLE, KY 40340-0788

## DESTINATION

=====

RJ CORMAN CO,  
GUTHRIE, KY

YOUR PURCHASE ORDER NUMBER BID 7/13/94

EFFECTIVE DATE: 07/21/94 FOB: DELIVERED ROUTE: DH/CSX

QUANTITY	UNIT	CLASS	DESCRIPTION	FLAT RATE/ALLOWANCE
2	EA	LOCO	LOCOMOTIVE (S)	SEE BELOW

TERMS: NET 30 DAYS - 1% PENALTY AFTER 30 DAYS. SUSPENSION  
OF ACCOUNT AFTER 60 DAYS. CORPORATE TRADE AGREEMENT REQUIRED FOR  
REINSTATEMENT. DISPUTED ITEMS NOT SUBJECT TO THESE TERMS.

PLEASE INDICATE CSX SALE ORDER NUMBER ON ALL DOCUMENTATION.

LOCAL MECHANICAL OPERATIONS PERSONNEL RESPONSIBLE FOR SHIPPING.  
FURNISH INVESTMENT RECOVERY (PRINTER 'YBW') WITH COPY OF WAYBILL.  
REFERENCE SALE ORDER NUMBER ON WAYBILL.

BUYER WILL ADHERE TO ALL CSX SAFETY RULES INCLUDING THE REQUIREMENT  
TO WEAR HARD HAT, SAFETY GLASSES, HEARING PROTECTION AND PROPER SHOES,  
WHERE REQUIRED BY SPECIAL INSTRUCTIONS OR POSTED NOTICE. MANDATORY  
ADHERENCE WHILE ON ALL CSX PROPERTY.

CSXT 1781 WAYCROSS GA - @ \$38,250.00  
CSXT 1795 " " " \$38,250.00

1980 GP 16 LOCO \* RJCM 16  
" " " RJCM 16

ALL UNITS SOLD AS IS .

	New Locos	Description	
RJCM	# 1607	1980 GP 16 Locomotive	\$ 38,250.00
RJCM	# 1608	" " "	\$ 38,250.00